GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:606
ANSWERED ON:02.03.2007
REFUND BANKER SCHEME FOR IT REFUND
Deshmukh Shri Subhash Sureshchandra;Gaikwad Shri Eknath Mahadeo;Mane Smt. Nivedita;Masood Shri Rasheed;Singh Shri Kirti Vardhan;Yadav Shri Kailash Nath Singh

Will the Minister of FINANCE be pleased to state:

(a)whether a Refund Banker Scheme has been launched by the Government to simplify the procedure relating to refund of income tax to the tax payers,

(b) if so, the details thereof;

(c) whether this scheme is being launched in all States of the country; and

(d) if so, the present status thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SH. S.S. PALANIMANICKAM)

(a)Yes sir.

(b)The Income Tax Department has launched a scheme of Refund Banker for issuance of income-tax refunds by a designated nationalized bank, similar to the process of refunds in `Initial Public Offers` (IPOs) of shares by companies. Under the scheme, the Refund Banker would, on the advice of the Income Tax Department, issue refunds to the taxpayers through Electronic Clearing System (ECS) or through banker`s cheque.

(c)No sir.

(d)Presently the scheme has been introduced in select Chief Commissioner charges in Delhi and Patna on a pilot-project basis. On the completion of the three-month long pilot project, the Government may consider extending the scheme to larger areas of the country.